Secy. II-27—100,000—21-5-52.

Public Health

(195 47) Department.

MS **SERIES.**

G.O. No. 3841 P. H

Dated 21-11-47

[Despatch Abstract.]

Water Supply and Drainage Schemes - ~~Grant~~ Priority to rural schemes - Papers recorded.

PUBLIC HEALTH DEPARTMENT (HI)

SUMMARY NOTE.

The Hon'ble Premier considered that at present the Government were spending a disproportionate amount on towns as compared with rural areas in almost every department; and at an informal conference of Secretaries to Government held on 22nd September 1947, he gave certain instructions and made certain suggestion for provision of larger allotments in the budget estimates for the rural population; and one of the suggestions is that if costly schemes have to be undertaken for the benefit of towns , the citizens of the concerned towns must be taxed heavily in order to provide the necessary funds'. With reference to this suggestion, the Finance Department have pointed out in their notes (on pp-4-5-ante) that so far as the Government are concerned taxes levied by them are not 'local ' taxes but Provincial taxes that it is the municipalities concerned that levy taxes in particular urban areas and not the Provincial Government and that in the case of Provincial taxes and fees collected in urban areas, the rates are uniform for the whole province so that it does not seem desirable to enhance the rates in a particular municipality on the ground that a new scheme which has been proposed will benefit that area. They have also pointed out that there is under consideration the question of enhancing the rates of certain duties and taxes which affect the urban population more than the rural population, and that it does not therefore appear that anything further can be done at present to increase Provincial taxation so as to bear specially heavily on urban areas. So they have suggested for examination the point that the half grant normally given now to municipal councils for water supply and drainage schemes may be reduced to one-third or one fourth and that the municipal councils may be asked to meet the remaining cost by raising loans and to meet the charges on account of interest and repayment by enhancing the rates of water and drainage tax to the maximum extent possible.

2. The Local Administration Department have pointed out in their note on p.8 ante that even on the existing system of half grant and half loan several municipal councils will be unable to Finance their water supply as well as drainage schemes. Also owing to the introduction of new scales of pay and the payment of dearness allowance, the rates of taxes on property have had to be increased of late considerably in municipalities. If a municipal council provides all amenities (electric lighting, compulsory elementary education with midday meals to the poor, water supply and drainage, and schemes for housing the poor) it may levy the tax on property upto a conventional maximum rate of 6¼% for a water supply scheme, and another 6¼% rate for drainage scheme and 7½% for all other purposes. Any higher rate will be too burdensome to be adopted in practice. The Local Administration Department point out that people in the towns pay more taxes to Government than villagers under the heads of Income Tax General Sales Tax etc., and that the provision of water supply and drainage schemes for towns which will prevent the spread of epidemics is of importance not only to the particular towns concerned but also to the surrounding rural areas.

3. This question of incidence of diseases is further stressed in this Department's note on p.10 ante, wherein it is pointed out that amenities of water supply and drainage should not strictly be regarded as conveneinces supplied for the benefit of townsfolk alone but as absolute necessities for the maintenance of public health conditions throughout the country. Any epidemic breaking out in a town will affect the health of the surrounding rural areas immediately, and ultimately of all rural areas, whatever the distance may be; e.g. cholera can be carried by an infected person from a town to a village far away and spread all over. On financial grounds, it is seen that even with taxation at its maximum possible limit, urban authorities are finding it difficult to meet thir half share of the funds required for Water Supply Drainage Schemes towards their capital cost, and also the maintenance charges. Therefore to ask these [illegible] to bear 2/3 or ¾ of the capital cost as well as

maintenance charges from loans and the proceeds of enhanced taxation will only result in arresting completely all their water supply and drainage schemes and in increasing the epidemic risks as regards the entire population, both rural and urban. On the other hand, the question whether the Government might themselves undertake to bear the entire cost of the schemes where the local bodies are unable to finance the schemes is under consideration. Also the Committee recently constituted for the purpose of examining all question relating to Water Supply and Drainage Schemes have recommended that the Government should take over the entire responsibility for all urban water supply and drainage schemes the local bodies being made only agencies for the collection of tax proceeds. The importance of water supply and drainage in wh urban areas has thene been accepted by every authority and the aim should be to provide for schemes wherever possible. In view of the water supply and drainage schemes being vital and essential problems of existence, and of the slender finances of local bodies, it should seem that attempts to adopt the quesi system of reducing Government grants, and enhancing municipal taxes should be resisted, and that the suggestion made in this regard should be given up.

4. The case may be circulated to Hon'ble Ministers Public Health, Local Administration, Finance and Hon'ble Premier for orders whether in the circumstances noted above, the question of reducing grants to municipalities for their water supply and drainage schemes should be pursued further.

Sd. x x x
24-10-47.

What are essential ports water supply and drainage schemes plans in the preservation of public health has been recognised too well and needs no over emphasis. It should be remembered that most of the epidemics are water borne and that it is these epidemics that wipe out the population to an appalling extent. water supply ~~supply~~ and drainage schemes, though confined to particular areas, should not on that account, be considered only as of local importance. Their effects cover an indefinitely wide range. A water supply scheme in an urban area is not an amenity conferred on the local residents but a vital necessity to preserves the public health not only of that particular urban area but also of the surrounding areas, urban as well as rural. There can thus be no distinction as urban or rural in so far as whatever measure is recognised as essntial to prevent diseases and maintain public health is concerned. All such measures should be the primary conern of the State and should not be left to the mercy of the impecunious local authorities. If it is the case of any amenity to be provided in an urban area such as a Toun hall or a public parts or a swimming pool, then there can certainly be no objection to urban residents being over passed, if necessary, to find the required money. For Orders.

Sd. x x x
2-11-47.

The proposal at A on p. 5 ante may not be perused. There is a case for increasing the financial aid given to urban authorities for water-supply and drainage schemes - not for ~~necessarily~~ decreasing.

Sd. x x x
25-11-47.

/3.

Minutes of the Hon'ble Ministers.

Water supply and drainage schemes have to be given priority in our future health programme. Government have a direct responsibility in this matter. The Committee on water supply and drainage have made several valuable suggestions in their report which is in the Press. Decision have to be taken by Government in regard to the provision of finance and other matters, where the report is taken up for consideration.

Sd. x x x
28-10-47.

I entirely agree with Hon'ble Minister (Public Health) and also note that preference should be given 1st to the drinking water supply of rural parts over any other item. Most of the villages are now suffering for want of drinking water facilities. Next major panchayats and municipalities may be enabled to carry on drinking water supply and drainage schemes.

Sd. x x x
28-10-47.

Local authorities cannot undertake them without a liberal grant in aid by the Government. If we depart from the present policy, it will only mean putting an end to all urban schemes, which is not desirable. Rural schemes have to be considered more liberally, but it should not mean cessation of urban schemes.

Sd. x x x
31-10-47.

Hitherto rural areas have been neglected though they pay most of the tax. So rural schemes must be given priority and considered more liberal schemes must be prepared for this purpose at once and put into execution and completed within 5 years.

Sd. x x x
1-11-47.

Please see the orders in circulation on 16 ante. These orders are to the effect that:--

(a) The existing basis of half-loan-grant to urban authorities for the execution of water supply and drainage schemes may, for the presents remain unaltered.
(b) Rural water supply schemes should be given priority and treated more liberally.

The recent orders of the Cabinet ~~is~~ regarding the establishment of a 1 crore fund for Rural Water Supply is definite evidence of such liberal treatment. Action will be taken on 'A' of Hon'ble Minister's minute in that connection. As long as this fund exists, the question of preference for Rural Water Supply works are urban works of drainage and water supply. Does not seem to arise. The establishment of the fund is by itself an act of high preference. Finance and Local Administration may see.

Sd. x x x
2-11-47.

Local Administration Department.

The orders in circulation on page 16 above may be perused.

Sd. x x x
4-11-47.

Finance(Budget General).

(Previous Finance note on page 11 above).
The orders in circulation on page 16 above and Education and Public Health's note above be persued and the case returned to Education and Public Health.

Sd.

Education and Public Health.

The note above may be perused. A draft memo to the Board of Revenue is submitted for approval.

Sd. x x x
10-11-47.

Then resolution proposed to be sent to the Board should be ~~entered~~ Entered in the 1 Crore Fund file. Where is it?

In another file, I wanted certain detailed particulars of works executed for 38-39 - 46-47. Put up that file too.

This may be recorded for future reference.

Sd. x x x
12-11-49

Submitted. The 'One Crore fund file' is linked herewith. Orders on the file will issue soon after the supplementary estimate is passed by the Legislature. The other file referred at M above, has been submitted separately with a ~~der~~ draft memo to the Board of Revenue asking it to obtain from the Collectors upto date and accurate ~~per~~ information regarding the works executed since 1938-39 as ordered in that file by Joint Secretary.

Sd. x x x
15-11-47.

An extract of the Hon'ble Prime Minister's minute at p.16 ante and the draft put up in the case, will be added to the One Crore Fund File, after the draft is approved by Joint Secretary.

The notes in this file will as ordered by Joint Secretary above be recorded.

G.O.Ms.No.3841, dated 21-11-47.

Sub: Water Supply and drainage schemes - Giving priority to rural schemes - Papers Recorded.

Sd. x x x
17-11-1947.

/True Copy/

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MADRAS RECORD OFFICE.

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